Vote No. 50

March 31, 1998, 2:20 pm Page S-2165 Temp. Record

BUDGET RESOLUTION/Teacher Reserve Fund

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 1999-2003 . . . S.Con. Res. 86. Murray motion to waive the Budget Act for the consideration of the Murray amendment No. 2165.

ACTION: MOTION REJECTED, 46-52

SYNOPSIS: As reported, S.Con. Res. 86, the Senate Concurrent Budget Resolution for fiscal years 1999-2003, will balance the unified budget in 1998 and will run surpluses for each of the next 5 fiscal years. Both Federal spending and Federal revenues will increase 3.5 percent from fiscal year (FY) 1998 to FY 1999. All surpluses will be reserved for Social Security reform. A reserve fund will be established to allow the entire Federal share of revenues resulting from a potential tobacco settlement to be dedicated to bolstering Medicare's solvency.

The Murray amendment would create a reserve fund to allow adjustments to the budget's revenue and spending aggregates (meaning to allow tax increases and mandatory spending increases) for "legislation to reduce class size for students, especially in the early grades." The amendment also would require those adjustments to be deficit-neutral, though that requirement is essentially meaningless because if they were not any attempt to spend would be subject to a 60-vote point of order for violating "paygo" (deficit neutrality) requirements. The only effect of the amendment would be to allow the consideration of new tax-and-spend entitlement legislation later this year without that legislation being subject to a 60-vote point of order.

Debate on a first-degree amendment to a budget resolution is limited to 2 hours. After debate, Senator Domenici raised a point of order that the amendment violated section 305(b)(2) of the Budget Act. Senator Murray then moved to waive the Budget Act for the consideration of the amendment. Generally, those favoring the motion to waive favored the amendment; those opposing the motion to waive opposed the amendment.

NOTE: After the vote, the point of order was upheld and the amendment thus fell.

If a budget resolution does not include changes in revenues or outlays for subsequent tax or spending legislation that presumably may be enacted, a mechanism called a "reserve fund" can be added to the resolution that will allow the Budget Committee Chairman

YEAS (46)			NAYS (52)			NOT VOTING (2)	
Republicans (2 or 4%)	Democrats (44 or 100%)		Republicans (52 or 96%)		Democrats (0 or 0%)	Republicans (1)	Democrats (1)
D'Amato Faircloth	Akaka Baucus Biden Bingaman Boxer Breaux Bryan Bumpers Byrd Cleland Conrad Daschle Dodd Dorgan Durbin Feingold Feinstein Ford Glenn Graham Harkin Hollings	Inouye Johnson Kennedy Kerrey Kerry Kohl Landrieu Lautenberg Leahy Levin Lieberman Moseley-Braun Moynihan Murray Reed Reid Robb Rockefeller Sarbanes Torricelli Wellstone Wyden	Abraham Allard Ashcroft Bennett Bond Brownback Burns Campbell Chafee Coats Cochran Collins Coverdell Craig DeWine Domenici Enzi Frist Gorton Gramm Gramm Grams Grassley Gregg Hagel Hatch Helms	Hutchison Inhofe Jeffords Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Roberts Roth Santorum Sessions Shelby Smith, Bob Smith, Gordon Snowe Specter Stevens Thomas Thompson Thurmond Warner		EXPLANATI 1—Official B 2—Necessaril 3—Illness 4—Other SYMBOLS: AY—Announ AN—Announ PY—Paired Y	y Absent aced Yea aced Nay Yea

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to make adjustments to it after it has passed in order to accommodate such legislation, if necessary. Reserve funds have usually been included in budget resolutions either to approve the consideration later in the year of tax-and-spend proposals by Democrats or tax relief-spending cut proposals by Republicans. Without reserve funds, such proposals are subject to 60-vote points of order, even if they do not violate the "paygo" (deficit neutrality) requirement for tax and mandatory spending proposals. Tax cuts cannot be paid for with spending cuts, unless approved in a reserve fund, because such approval would trigger a 60-vote point of order against considering proposals that would lower projected revenues below the revenue floor set in the budget resolution. Similarly, new entitlement spending cannot be paid for with new taxes, unless approved in a reserve fund, because such approval would trigger a 60-vote point of order against entitlement spending in excess of the aggregate mandatory outlay ceiling set in the budget resolution. Reserve funds allow the floor and the ceiling to be changed, respectively, and thus avoid the points of order.

Those favoring the motion to waive contended:

Americans want the Federal Government to spend more money on education. Right now, only 2 percent of the budget is spent on that purpose. The Murray amendment would create a reserve fund that would allow Congress to consider legislation to increase spending on one particular educational purpose--reducing the teacher-student ratio in public schools, particularly in the lower grades. Numerous studies have shown that students who are taught in smaller classes outperform their peers academically and behaviorally. Poorer students especially have been found to benefit. Having a reserve fund in place will remove procedural barriers later on in the year to considering legislation that will start a new Federal program to help reduce classroom size. We urge all Senators to put America's children first by voting for this amendment.

Those opposing the motion to waive contended:

The Murray amendment is not a proposal, it is a wish. All it says is that some way, some day the Senate may get some unknown amount of money by raising some unknown taxes, and, if it does, it may put that money into this reserve fund to spend on a new program to reduce classroom size that not only does not exist, it has not even been proposed. The only concrete effect it would have would be to remove the 60-vote point of order against imposing new taxes. In fact, it would allow unlimited new taxes to be imposed. This amendment is basically just an empty shell that would give the Senate a blank check to tax and spend.

If our colleagues favored tax hikes of a specific amount and if they had dared to say what they were in this amendment, and if they had had a concrete proposal to spend the money on, we still would have had two very serious concerns with the amendment. First, we do not believe that there is any evidence that Federal aid is needed or desirable. According to the National Center for Educational Statistics, classroom size has declined from an average of 25.6 students in 1960 to an average of 17.6 in 1996, and it is expected to decline to 15.4 by the year 2006 without any Federal aid. Local and State governments have been making concerted, and effective, efforts to reduce the number of students per classroom. They have done so without Federal help. Frankly, we think that if the Federal Government had been involved it would have imposed several new layers of bureaucracy, mandates, and pap